



SECURIT

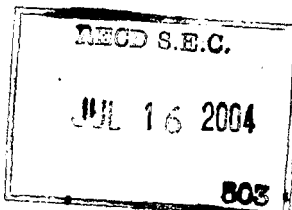
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MISSION

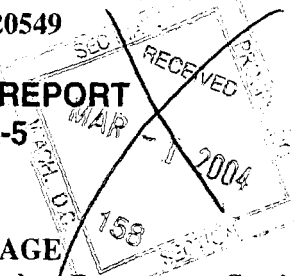
Washington, D.C. 20549

## OMB APPROVAL

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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III



SEC FILE NUMBER  
8-26614

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/02 AND ENDING 12/31/03  
MM/DD/YY MM/DD/YY

## A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Capital Brokerage Corporation

OFFICIAL USE ONLY

PROCESSED

FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

JUL 23 2004

THOMSON  
FINANCIAL

3001 Summer Street

(No. and Street)

Stamford

CT

06905-4317

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

John E. Karaffa

(804) 289-2325

(Area Code - Telephone Number)

## B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

KPMG LLP

(Name - if individual, state last, first, middle name)

1021 East Cary Street, Suite 2000

Richmond

VA

23219

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

Potential persons who are to respond to the collection of  
information contained in this form are not required to respond  
unless the form displays currently valid OMB control number.

## OATH OR AFFIRMATION

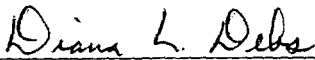
I, Robert T. Methven, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Capital Brokerage Corporation as of December 31, 2003, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows.



Signature

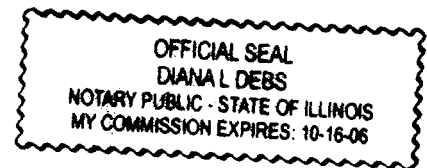
President and CEO

Title



2-12-04

Notary Public



This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A Copy of the SIPC Supplemental Report.
- ☐ (n) A Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\* For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

# CAPITAL BROKERAGE CORPORATION

## Balance Sheets

December 31, 2003 and 2002

(Dollar amounts in thousands, except share amounts)

<b>Assets</b>	<b>2003</b>	<b>2002</b>
Cash and cash equivalents	\$ 9,360	16,229
Debt securities, at fair value	1,017	1,033
Warrants, at cost	20	20
Commissions receivable	525	647
Receivable from affiliates	295	32
Deferred tax asset	351	652
Other assets	90	80
<b>Total assets</b>	<b>\$ 11,658</b>	<b>18,693</b>
<b>Liabilities and Shareholder's Interest</b>		
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	\$ 959	1,769
Commissions payable	30	30
Payable to affiliates	524	1,530
Current income taxes payable to affiliate	1,980	1,389
<b>Total liabilities</b>	<b>3,493</b>	<b>4,718</b>
<b>Shareholder's interest:</b>		
Common stock, \$1 par value. Authorized 100,000 shares; issued and outstanding 10,000 shares	10	10
Additional paid-in capital	4,532	4,532
Retained earnings	3,623	9,433
<b>Total shareholder's interest</b>	<b>8,165</b>	<b>13,975</b>
<b>Total liabilities and shareholder's interest</b>	<b>\$ 11,658</b>	<b>18,693</b>

See accompanying notes to financial statements.